

# **COUNCIL ON THE ARTS**

## **MISSION**

The primary responsibility for oversight and administration of the State's artistic and cultural resources is assigned to three existing entities — the Council on the Arts, the Empire State Plaza Performing Arts Center Corporation and the New York State Theatre Institute — and a newly established Office of Cultural Resources. Working together, these agencies will expand access to the performing and fine arts, preserve the State's cultural resources and promote greater public awareness of New York's rich cultural heritage.

## **ORGANIZATION AND STAFFING**

The Council on the Arts is headed by a Chair and a Vice Chair and consists of 20 members nominated for five-year terms by the Governor with confirmation by the Senate. The Council's staff, headed by an Executive Director, is organized into an Administrative Division and a Program Division, both in New York City. The latter has expertise in several major artistic disciplines (including dance, theater and music) and provides advisory services and financial assistance to the arts community of the State. During 2001-02, the Council on the Arts will have a workforce of 63 for the review, processing and administration of arts grants and loans to nonprofit organizations.

The Empire State Plaza Performing Arts Center Corporation (the "Egg") was established in 1979 as a public benefit corporation to administer a performing arts center in Albany to offer a diverse array of cultural and artistic programming. An 18-member Board of Directors — consisting of the Commissioner of General Services and members appointed by the Governor, leaders of the Legislature, as well as the Mayor and County Executive of Albany — provides policy direction for the Corporation and appoints its Executive Director. The Chair of the Board is selected by the Governor. The Corporation has a full-time staff of 12.

The New York State Theatre Institute (NYSTI) is a public benefit corporation, established in 1992, committed to provide educational theater experiences for children and families across the State. The Governor appoints the Chair of the Board of Directors whose 15 members are selected by the Governor and the legislative leaders. The Chief Executive Officer of the Institute is its Producing Director, who is appointed by the Board. The Institute's staff of 29 is based in Troy, where its office, production and instructional facilities are located.

To promote increased recognition and visibility of the important cultural programs administered by the State Museum, the State Library and the State Archives, a transfer of these functions from the State Education Department (SED) is recommended to establish a new entity — the Office of Cultural Resources (OCR) — which will have as its sole focus the promotion of New York's cultural resources. The 2001-02 Executive Budget proposes to implement this functional transfer by October 1, 2001 and provides for the related transfer of funds, facilities and staff.

A nine-member Board of Trustees will oversee this new Office with members nominated for five-year terms by the Governor subject to Senate confirmation. The Chair of the Board will be designated by the Governor from among the Trustees. The Office's chief executive officer will be an Executive Director appointed by the Board. Funds for OCR's operations and grant programs will be transferred from SED's Cultural Education Program and the Office of Management Services. When the realignment is complete, OCR will have a staff of approximately 470.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

Most of the Council's funding (97 percent) is provided by the State's General Fund. Federal grants from the National Endowment for the Arts are projected to represent approximately 2 percent of 2001-02 disbursements. One Fiduciary Fund account provides funding for short-term loans to arts organizations for acquisition of expensive musical instruments and for capital improvements. A second Fiduciary Fund, established in 1999-2000, enables the Council to receive and expend funds available through donations and gifts.

Grants to not-for-profit arts organizations represent nearly 90 percent of the projected expenditures of the Council. The remainder is used for the administration of grant programs and the statewide advocacy, promotion and development of artistic and cultural programs.

The 2001-02 Executive Budget includes:

- Funding of \$5.5 million for administration of the Council's programs; and
- Funding of \$44.0 million, an increase of \$600,000, for arts grants which will support general arts grants, decentralization grants and the Empire State Partnership initiative.

Funding is provided in the Executive Budget for the Egg at \$567,000; and for NYSTI at \$1,580,500, which includes the cost of negotiated salary increases. Receipts from ticket sales, private donations, and sales and lease of products and facilities will supplement State funds provided to these organizations.

The Executive Budget provides \$19.8 million, including \$9.4 million from the General Fund, for OCR representing six months' funding for the operations of the new office, upon transfer of its functions from SED which is to take place by October 1. In addition, Local Assistance and Capital appropriations associated with OCR activities will be transferred from the corresponding funds and accounts in SED during 2001-02.

## **PROGRAM HIGHLIGHTS**

*Council on the Arts.* Since April 1995, the Council has distributed approximately 14,000 grants totaling over \$200 million to more than 1,300 cultural organizations. According to a recent study commissioned by the Council, these grants act as a catalyst and generate additional economic benefits that total an estimated \$13 billion. Grant awards to nonprofit arts organizations are approved through an application process overseen by a special appeals panel which ensures fair and equitable treatment of all applicants. Program audits are also conducted to promote accountability by monitoring program quality and contractual compliance.

The Council receives approximately 2,800 requests for funding each year from organizations throughout the State including symphony orchestras, museums, dance companies, theaters and libraries. To recognize program excellence and promote regional diversity, the Council devotes half of its State grant funding to organizations that have recognized standing in the field, and guarantees that each county receives a minimum base grant tied to its population.

*Office of Cultural Resources.* In assuming its redefined role as the custodian of the State's cultural assets, OCR would:

- Provide overall leadership for development of cultural resources in partnership with local governments, nonprofit organizations and the private sector;
- Transform the State Museum into a more vibrant, attractive and high-tech resource to better showcase New York's cultural history and heritage; and
- Provide greater opportunity for the State Library and the State Archives to emerge as world-class information centers.

*Performing Arts Center Corporation (the "Egg").* During the 1999-2000 season, the Egg presented 39 events which generated a total attendance of 34,685 — a 26 percent increase from the previous year. Season subscriptions for performances at the Egg increased 38 percent in 1999-2000, and the facility was utilized over 330 days during the season by a variety of organizations.

*New York State Theatre Institute.* More than 65,000 children, teachers and parents attended NYSTI's seven productions in 1999-2000. During this period, the Institute certified 90 high school units and 160 college credits to 65 high school seniors and college students who participated in its internship program. The Institute received the National American Alliance for Theatre and Education award for artistic achievement in 1999 and an Audie Award in 2000 for its production of *Sherlock's Secret Life*.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<u>Category</u>	<u>Available 2000-01</u>	<u>Appropriations Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations Recommended 2001-02</u>
State Operations	27,882,700	28,300,400	417,700	1,716,000
Aid To Localities	47,695,000	44,335,000	(3,360,000)	95,000
Capital Projects	0	0	0	0
Total	<u>75,577,700</u>	<u>72,635,400</u>	<u>(2,942,300)</u>	<u>1,811,000</u>

**ALL FUND TYPES  
PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM  
FILLED ANNUAL SALARIED POSITIONS**

**Full-Time Equivalent Positions (FTE)**

<u>Program</u>	<u>2000-01 Estimated FTEs 03/31/01</u>	<u>2001-02 Estimated FTEs 03/31/02</u>	<u>FTE Change</u>
Administration			
General Fund	55	54	(1)
Special Revenue Funds - Federal	9	9	0
Office of Cultural Resources			
General Fund	295	295	0
Special Revenue Funds - Federal	75	75	0
Special Revenue Funds - Other	40	40	0
Internal Service Funds	33	33	0
Expendable Trust Funds	2	2	0
Total	<u>509</u>	<u>508</u>	<u>(1)</u>

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	16,642,000	17,053,200	411,200
Special Revenue Funds - Federal	4,491,950	4,396,700	(95,250)
Special Revenue Funds - Other	2,087,750	2,135,400	47,650
Internal Service Funds	3,912,500	3,949,100	36,600
Fiduciary Funds	<u>748,500</u>	<u>766,000</u>	<u>17,500</u>
Total	<u>27,882,700</u>	<u>28,300,400</u>	<u>417,700</u>

Adjustments:

Transfer(s) From			
Education Department, State			
General Fund	(9,193,000)		
Special Revenue Funds - Federal	(3,761,950)		
Special Revenue Funds - Other	(2,087,750)		
Internal Service Funds	(3,912,500)		
Expendable Trust Funds	(348,500)		
Special Pay Bill			
General Fund	(299,000)		
Special Revenue Funds - Federal	<u>(39,000)</u>		
Appropriated 2000-01	<u>8,241,000</u>		

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration			
General Fund	5,210,000	5,474,000	264,000
Special Revenue Funds - Federal	730,000	469,700	(260,300)
Fiduciary Funds	400,000	400,000	0
Office of Cultural Resources			
General Fund	9,193,000	9,431,700	238,700
Special Revenue Funds - Federal	3,761,950	3,927,000	165,050
Special Revenue Funds - Other	2,087,750	2,135,400	47,650
Internal Service Funds	3,912,500	3,949,100	36,600
Fiduciary Funds	348,500	366,000	17,500
Empire State Performing Arts Center Corporation			
General Fund	550,000	567,000	17,000
New York State Theatre Institute			
General Fund	1,489,000	1,580,500	91,500
Community Projects			
General Fund	<u>200,000</u>	<u>0</u>	<u>(200,000)</u>
Total	<u>27,882,700</u>	<u>28,300,400</u>	<u>417,700</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2001-02 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total Personal Service</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	3,359,000	(264,000)	3,224,000	(264,000)
Total	<u>3,359,000</u>	<u>(264,000)</u>	<u>3,224,000</u>	<u>(264,000)</u>

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	127,000	0	8,000	0
Total	<u>127,000</u>	<u>0</u>	<u>8,000</u>	<u>0</u>

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2001-02 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total Nonpersonal Service</b>		<b>Supplies and Materials</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	2,115,000	528,000	121,400	0
Office of Cultural Resources	9,431,700	238,700	0	0
Empire State Performing Arts Center Corporation	567,000	17,000	0	0
New York State Theatre Institute	1,580,500	91,500	0	0
Community Projects	0	(200,000)	0	0
Total	<u>13,694,200</u>	<u>675,200</u>	<u>121,400</u>	<u>0</u>

<b>Program</b>	<b>Travel</b>		<b>Contractual Services</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	251,200	0	1,501,000	378,000
Total	<u>251,200</u>	<u>0</u>	<u>1,501,000</u>	<u>378,000</u>

<b>Program</b>	<b>Equipment</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	91,400	0	150,000	150,000
Office of Cultural Resources	0	0	9,431,700	238,700
Empire State Performing Arts Center Corporation	0	0	567,000	17,000
New York State Theatre Institute	0	0	1,580,500	91,500
Community Projects	0	0	0	(200,000)
Total	<u>91,400</u>	<u>0</u>	<u>11,729,200</u>	<u>297,200</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2001-02 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	869,700	(260,300)	340,800	(149,600)
Office of Cultural Resources	10,377,500	266,800	0	0
Total	<u>11,247,200</u>	<u>6,500</u>	<u>340,800</u>	<u>(149,600)</u>

<b>Program</b>	<b>Nonpersonal Service</b>		<b>Maintenance Undistributed</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration	128,900	(110,700)	400,000	0
Office of Cultural Resources	0	0	10,377,500	266,800
Total	<u>128,900</u>	<u>(110,700)</u>	<u>10,777,500</u>	<u>266,800</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	47,400,000	44,000,000	(3,400,000)
Special Revenue Funds - Federal	95,000	135,000	40,000
Fiduciary Funds	200,000	200,000	0
Total	<u>47,695,000</u>	<u>44,335,000</u>	<u>(3,360,000)</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Administration			
General Fund	47,400,000	44,000,000	(3,400,000)
Special Revenue Funds - Federal	95,000	135,000	40,000
Expendable Trust Funds	200,000	200,000	0
Total	<u>47,695,000</u>	<u>44,335,000</u>	<u>(3,360,000)</u>